

College Savings Highlighted in Work of Office of the State Treasurer

Delaware education savings plan looking to build on already strong numbers

Realizing the impact that education costs have on families, State Treasurer Colleen Davis remains committed to helping make quality education attainable. Recent studies show more and more people nearing retirement are taking loans to help children and grandchildren pay for education.

“Addressing the need to save for education saving is highlighted with September designated as College Savings Month, but it is an issue we deal with all year long,” Treasurer Davis said. “Not only does our office administer the DE529 Education Savings Plan, tax-advantaged accounts designed to help parents, grandparents and others pay for higher education expenses, I sit on, and our office provides administrative support for the Plans Management Board (PMB), the group that directs and serves as trustees of the money invested in the plans.”

Earlier this week, the PMB approved a series of strategic objectives to raise awareness and participation in DE529 Plans.

“We are looking at making DE529 one of the leading education savings programs in the country,” said Donna Vieira, chair of the Plans Management Board and executive vice president and chief commercial officer for Sallie Mae. “These objectives are designed to grow accounts and increase contributions.”

In spite of the recent unprecedented economic climate, the DE529 plan has experienced significant growth thanks to the

responsible oversight of the PMB and the support of the Treasurer's Office. Contributions increased 47% in the second quarter of 2021 compared to the same period the previous year. Total contributions for 2020 were \$53.3 million, and as of June 30, 2021 contributions already totaled \$36.4 million.

While overseeing efforts in Delaware, Treasurer Davis is also expanding her presence on the national level concerning helping families save for future education expenses.

"As a member of the Executive Board of the College Savings Plans Network, the recently elected Vice President for the Eastern Region of the National Association of State Treasurers (NAST), and the chair of NAST's Banking and Cash Management Committee, I hope to keep the importance of 529 plans in the forefront for everyone around the country and prevent both students and their parents from acquiring overwhelming student loan debt."